

Office of the Lt. Governor c/o Rural High-Speed Internet Access Task Force State Capitol, Room 224 Jefferson City, MO 65101

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## **To The Rural High-Speed Internet Task Force:**

Next generation broadband networks have become critical infrastructure for a state no different than roads, power and water. At Axia we believe we have a value proposition in our Open Access Network model that delivers this broadband infrastructure in such a way that allows Missouri to both address its own ICT needs and serve its larger policy goals of broadband availability and adoption.

Please allow Axia this opportunity to introduce our model as well as share some of our experiences for your consideration.

## **Axia Profile**

Axia acts both as a technology integrator and market optimizer. We plan, design, operate and develop ultra-high-performance, Real Broadband Open Access Networks that provide uncompromised connectivity in and between both large and small markets. We have a proven track record, having created the Alberta Canada SuperNet, which we believe is the world's best regional IP broadband network. We are now exporting our solution, with 13 networks in France and pursuing other opportunities around the world.

A specialty communications company, Axia is one of the first companies in the world to create and operate a ubiquitous, jurisdiction-wide truly open access fiber optic network. Axia's Open Access Network Model gives all citizens of a jurisdiction competitive and equal access to Real Broadband regardless of whether they live in an urban or rural community.

## **Broadband- A Critical Infrastructure**

Forward thinking governments recognize the necessity for broadband connectivity throughout their jurisdiction as a critical infrastructure. These next generation networks not only provide communications services to your retail and commercial sectors, but they act as a catalyst and conduit for the State's policy initiatives around economic development and diversity, provision of e-government services and leading-edge education and healthcare services. To enable and foster these solutions, **broadband must be available on an Open Access basis** – equally accessible by every sector – residential, business and industry; metropolitan and rural; wealthy and low-income.

## **Axia's Open Access Network Solution**

Axia's Real Broadband is distinguished by our provision of fully symmetrical and duplex bandwidth services at low incremental rates. Our approach is to push the fiber as far as feasible on the network and utilize an MPLS core to deliver next generation services. Axia's networks are capable of provisioning from a few megabits to gigabits of service per customer end-point.

While the technical capabilities of the network are important, the ultimate goal is a competitive services layer driving adoption and penetration. Vibrant competition in the retail service and application sectors stimulates economic development and diversity and drives investment in rural business thereby leading to increased standards of living and fuelling the advancement of knowledge economies. Axia's experience in Alberta demonstrates that expanding the network throughout the province and enabling competition at the services layer does indeed increase broadband penetration.

In our model, an Open Access Network recognises the need for structural separation between the network operator and retail suppliers. Such an approach ensures no conflict in the value chain and provides the best competition, choice and prices for the end customer.

Policy Makers that compromise on the "No-Conflict" part of the Open Access solution end up with, at best, modest improvements in speed and very limited evolution in the critical Application Services sector. The only way to enable true competition at the Application Services layer is to provide equal and unfettered access to broadband services provided by a **No-Conflict Open Access Next Generation Network operator**. Axia achieves this goal by precluding itself from participating in the provision of retail services in the first/last mile. Therefore, Axia is motivated to encourage competition amongst Service and Application Providers and assist them in being successful as their uptake volume will generate increased bandwidth demands of the network and serve the policy goals of Missouri.

Axia's No-Conflict Open Access Network model is flexible and can be tailored to Missouri's specific requirements. We would be pleased to further discuss with you our experience in implementing the no-conflict approach described. I will follow up with you in person in the near future. In the mean time, please find further documentation on Axia NetMedia Corporation attached and do not hesitate to contact me at <a href="mark.blake@axia.com">mark.blake@axia.com</a> or 403-538-4180.

Sincerely,

Mark Blake

Mark Blake.

Vice President, Marketing and Business Development

AXIA NETMEDIA CORPORATION